



**CONSUMER  
& INDUSTRY  
SERVICES**

*"Serving Michigan...  
Serving You"*

# e-DISCUSSIONS

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## *From the Director*

*by Noelle A. Clark*

Happy Holidays! It is hard to believe that five months has passed by since Gov. John Engler appointed me as director of Consumer & Industry Services. I now find that I am at the most difficult time of this entire experience at CIS and that is having to say "good-bye."

December 31 marks the end of my appointment as director and I have been saying farewell these days to so many of you I have had the pleasure to work with at CIS. I came to this department from the private sector, as a business owner and private citizen, and I have to admit that my perspective of state government has changed drastically because of my experience at CIS.

Jan. 1st will mark the beginning of the Granholm Administration and new leadership for our department. As of this date, I do not know the name of who will be your next director, but I would tell the next director that he or she is very fortunate to be inheriting one of the most professional and hard-working teams I have ever met.

I am proud of all we have accomplished in this brief timeframe, from launching dozens of successful e-Michigan initiatives such as online electrical, mechanical, and plumbing permitting to awarding a grant to create a Michigan Center for Nursing to address the health professional shortage. In a word, the 4,000 employees

of CIS are "amazing."

There are so many individuals I owe a "thank you" but I would be remiss if I didn't single out our two deputy directors, Kalmin Smith Ph.D. and Ronald Basso J.D., who are retiring effective December 31. Kal contributed to Michigan history by authoring the Michigan Occupational Safety and Health Act, Handicappers Civil Rights Act, and Payment of Wages and Fringe Benefits Act. Ron headed our transition to the new administration and was devoted to protecting the state's most vulnerable citizens in child care and long term care and committed to recognizing

Michigan's unsung  
heroes through five

***Director Noelle Clark and Deputy Directors  
Kalmin Smith (left) & Ronald Basso (right).***

years of the Governor's Quality Care Awards program. Together they brought 45 years of combined experience to our department and their expertise and friendship will be missed.

As a director, all of you at CIS made me proud. As a citizen of this state, I am even prouder to have you working as dedicated civil servants on my behalf to make good government even better. Thank you!



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## OSHA Increases Number of Training Centers

The U.S. Department of Labor announced the selection of 20 Training Institute Education Centers and Michigan is represented (see "Michigan Included in List of New OSHA Training Sites").

The centers offer training courses on Occupational Safety and Health Administration (OSHA) standards and occupational safety and health issues. The new program has been expanded to include 20 centers at 35 locations throughout the country.

The centers were selected through a national competition that was announced in February. Evaluation criteria included occupational safety and health experience, non-academic training background, classroom and laboratory availability, and the ability to provide training throughout the region.

The educational centers will also assist the agency in administering the OSHA Outreach Training Program--the agency's primary way to train workers in the basics of occupational safety and health.

## Michigan is Pilot for Whistleblower System

Michigan has been chosen as a pilot test state, along with Washington and two federal regional offices, in applying the new IMIS web-based Whistleblower System.

Jim Brogan, Chief of the Bureau of Safety & Regulation Employee Discrimination Division, said many months have gone into developing the system with personnel from Michigan, New York and the OSHA National Office who were committed to the development of a user-friendly quality product, including modifications to accommodate state programs such as Michigan's.

This system allows staff to access, input and run reports from desktops, laptops, or from anywhere they have access to the Internet. The system contains many new options afforded personnel, e.g.; does not require memorized case numbers; can show all pending cases; no draft documents as it has an automated save feature; supports SIC and NAICS coding. It also has a self-check system to cut down on errors.

The Employee Discrimination staff has completed training via telecommunication and the web. The pilot program was launched on Monday, December 9, 2002. All other state and federal Whistleblower investigators will be trained and the program is expected to be launched nationwide on February 1, 2003.

## Emergency Response Team has Defibrillator

The BSR Emergency Response Team has added an Automated External Defibrillator (AED) to its first aid equipment. The team has undergone training to use it in the event of a medical emergency in the General Office Building.

## BSR's Casual Friday to Benefit Food Bank

The Bureau of Safety & Regulation has taken the concept of casual Friday to a new level by designating Dec. 20th as Blue Jean Day for its employees. The BSR Administration will collect \$3.00 from everyone who would like to dress casually by wearing jeans to benefit the Greater Lansing Food Bank.

A "treat" will be given to participants to place on his or her desk to let everyone know that you have contributed to the Greater Lansing Food Bank.

## Michigan Included in List of New OSHA Training Institute Education Centers

Michigan is represented in the list of new OSHA Training Institute Education Centers. The Great Lakes OSHA Training Consortium, is comprised of the following.

- University of Cincinnati Continuing Medical Education, Cincinnati, Ohio (lead organization)
- Eastern Michigan University Center for Organization Risk Reduction, Ypsilanti, Mich.
- United Auto Workers Health & Safety Department, Detroit, Mich.
- University of Minnesota Midwest Center of Occupational Safety and Health, Minneapolis, Minn.



# OFIS Credit Scoring Report Raises Concerns, Makes Consumer Protection Recommendations

The Office of Financial and Insurance Services (OFIS) report on the use of credit scores to set insurance rates raises significant concerns about the way insurance credit scoring is used and how much information is available to consumers.

The report, which makes several administrative and legislative recommendations on consumer protections, is available at <http://www.michigan.gov/ofis> by clicking on the credit scoring logo at the bottom of the page.

OFIS Commissioner Frank M. Fitzgerald said, "Consumers' overwhelming concern is the lack of information available about the credit scores their insurance companies are using to set their rates. Consumers are entitled to know how their premiums are determined and the report recommendations remove the mystery regarding calculation of credit scores for insurance premiums."

While the study finds that Michigan law permits a discount that is based on insurance credit scoring, a significant number of possible insurance code violations were found. These possible violations include: the variety of ways that insurance credit scoring is used; a wide range of insurance credit scoring discounts; and a lack of information available to consumers so they can determine if insurance credit scores and rates are accurate.

In response to the report, OFIS will begin to implement several administrative recommendations over the next several weeks:

- ◆ Requiring all Michigan insurance companies to inform policyholders of credit scores and levels of discount annually. In addition, the companies will have to file with OFIS the credit-scoring formula used to apply a discount and the specific factors used to calculate the credit score.
- ◆ Requiring companies using an insurance credit-scoring discount to recalculate and then apply a policyholder's insurance credit score at least once annually and at any time a consumer has successfully disputed his or her credit history information.
- ◆ Requiring companies using an insurance credit-score discount to file with OFIS an actuarial certification justifying discount levels and tiers annually, including those discounts granted to policyholders with no credit history ("no hits") or whose credit histories do not reveal all the credit factors used by the company's formula ("thin files") to determine the insurance credit score.

In addition, OFIS will make several recommendations to the Michigan legislature, such as:

- ◆ Consider prohibiting insurers from denying coverage, canceling coverage, limiting coverage or surcharging for personal lines of insurance other than automobile or homeowners based on an insurance credit score.
- ◆ Consider amending the laws pertaining to group automobile and homeowners insurance to prohibit a surcharge based on an insurance credit score.
- ◆ Require notification to consumers that an insurance credit-scoring discount is being applied at the time of either application for coverage or renewal.
- ◆ Require companies to give notice of why an adverse insurance credit-scoring action is occurring. Although the federal Fair Credit Reporting Act requires this, placing this requirement in Michigan law will allow the commissioner to penalize violators.
- ◆ Prohibit certain types of credit inquiries from negatively affecting a consumer's insurance credit score. Inquiries to consider banning include, but are not limited to, those relating to insurance coverage, medical services collection accounts, and multiple mortgage or automobile lender inquiries made within 45 days.



## Bureau of Construction Codes

### State Offers Mechanical and Plumbing Permits Via the Internet

Authorized master plumbers and mechanical contractors will be able to obtain permits from the State of Michigan via the Internet beginning Monday, December 16.

The addition of online plumbing and mechanical permits is the latest enhancement to the award-winning Michigan.gov web portal. This service was created as a result of the partnership of the CIS Bureau of Construction Codes and the Michigan Department of Information Technology (DIT).

“Contractors welcome this new service because a permit application completed online is approved immediately. With that permit number, contractors can start installing plumbing and mechanical equipment and request inspections right away, which makes construction and remodeling projects progress more quickly,” CIS Director Noelle Clark said.

Jacque Passino, DIT Director, added that authorized master plumbers and mechanical contractors join electrical contractors as licensees who are able to use the online service.

“We’ve recently started issuing electrical permits online this week and the concept has been so well received by contractors that we worked quickly to add plumbing and mechanical permits to the lineup of options for our customers,” Passino said. “The service is available 24 hours a day, 7 days a week so contractors can choose when they want to apply for a permit at their convenience, thereby making it easier to do business with the State of Michigan.”

A contractor may complete a permit application by accessing the Michigan Department of Consumer and Industry Services Bureau of Construction Codes web site at: <http://www.Michigan.gov/bccpermits>.

This service is available only for a “simple” permit, which is a project that does not require the submission of construction documents for plan review. Permit applications must be completed in their entirety and include the applicant’s valid authorized master plumber or mechanical contractor license number. An incomplete application will not generate a permit. Payment must be made with a valid Visa or Master Card. Accela will charge a “convenience fee” of \$5.00 plus 10% of the permit fee for the use of this Internet service.



## Office of Fire Safety

### Office of Fire Safety Announces Staff Additions

**Aric D. Alexander**, who was previously with Ameritech, joined the OFS team on Dec. 9th. He has been active volunteer with the Brighton Area Fire Department for 9 years, having started as a junior fire fighter. Aric is married and lives in Brighton, Michigan.

**Monica Craig** joined the OFS Federal Health Care Unit from the Governor's Office. She resides in St. Johns with her husband Bob and has 2 children: one a recent MSU graduate and the other is a MSU sophomore.

**Mike Bialkowski** joins OFS as a student assistant after working for the Department of Management and Budget Office of Retirement Services. Mike also works seasonally with the Lansing Lugnuts minor league baseball team performing game night support duties.

**Pier-George Zanoni, PE, CIH** is now OFS’ Building Construction Project Superintendent. Pier-George previously worked for McPherson Hospital in Howell where he was the service delivery leader for the engineering department. Pier-George has over 20 years experience in the health care industry working with health, safety & construction codes. He has also held various positions with the Michigan Health & Hospital Association, including engineering consultant for the Codes & Standards Department and director for the Occupational Health & Environmental Safety Department.



**Aric D.  
Alexander**





**CIS Salutes is devoted to employee accomplishments (on and off the job), letters of appreciation and staff changes. Please send CIS Salutes news to: Lori Donlan - [ldonla@michigan.gov](mailto:ldonla@michigan.gov).**

Public Service Commission Chair **Laura Chappelle** and her husband, Scott, welcomed a baby girl to their family on Friday November 22, 2002. Her name is Christen Loise, and she entered the world at 7 lbs. 12 oz, 20 inches in length. Big brothers Joe, Jacob and Sam are also very proud of their baby sister.

Bureau of Technology Services employees were not included in the recent list of CIS retirees since BTS was recently transferred to the Department of Information Technology. We wanted to recognize these recent BTS retirees because they have been such a key part of the CIS team and they will be missed!

*July 1:*

**Harry Evans, Roberta Binkley, Cathy Rosario  
Jerry Truman**

*August 1:*

**Diane Kramer, Mary Mitchell, Hal Smith, Steve Vagnozzi**

*October 1:*

**Kris Goldblatt**

*November 1:*

**Charlene Bailey, Bill Bailey, Harold (Bill) Brownell, Bill Keehne, Jim Coe, Carol McLane, Ralph Reinecke, Marlene Witham**

Welcome to **Laurie Lorish** as the new Departmental Analyst Trainee in the MIOSHA Information Division (MID). Laurie was the division secretary in MID and now has filled Gordon Spitzley's early retirement position. Please welcome Laurie as one of the "statistics" team members.

A Michigan employer made the following comment in his cover letter with verification of abatement for an Occupational Health Division compliance inspection: "I would like to thank MIOSHA for 1) the assistance provided by inspector **Cynthia Politowicz**, both on the day of the inspection as well as several days of follow-up calls and 2) the assistance and advice from the Lansing Office in the information required to

abate this citation... With your help and consultation we continue to make...(our company) a safe and healthy environment for all of our employees." Thanks, Cynthia, for a job well done.

**Recent additions to the Bureau of Safety & Regulation Consultation Education & Training Division:**

**Albert "Bill" Gasser** joined the CET onsite consultation program on Nov. 25th. Bill comes to CET after spending four years as a construction safety officer with the Construction Safety Division. Bill has nine years of work experience as a journeyman carpenter. Bill looks forward to working with construction employers in his new territory that includes the western half of the Lower Peninsula and the Upper Peninsula.

**Rick Odorico** has accepted a position with CET Division as a Safety Consultant covering Bay, Tuscola, Saginaw, plus a few other counties (a position formerly held by **Dave Luptowski**). Rick has worked as a General Industry Safety Inspector since August of 1994. Prior to working for GI, Rick was the Corporate Safety Assistant for Blue Water Plastics, Inc. and Assistant Safety Coordinator for Genesis Polymers, in Marysville. Rick begins his CET appointment December 22, 2002.

**Patrick Sullivan** is the new CET construction safety consultant in the SE Michigan area. Pat, who has spent the past eight years as a construction safety inspector, is replacing **Jerry Faber** who retired. His background includes 18 years in the masonry trade and he was a member of the Bricklayer's Union.

**Eric Zaban** has accepted the Industrial Hygienist 12 position previously filled by **Richard Cook**. Eric holds a Bachelor of Science Degree in Industrial Hygiene/Environmental Health Science from Purdue University. The department hired Eric as an industrial hygienist in 1998. As an industrial hygienist with the Occupational Health Division, he enforced the MIOSHA health standards in District #6.